

HCS HB 2038 -- MISSOURI SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS

SPONSOR: Hicks

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Economic Development by a vote of 20 to 0.

This bill specifies that any taxpayer who hires a person who is currently enrolled as a student majoring in science, technology, engineering, or mathematics at a Missouri public or private two-year or four-year college to fill an internship position in one of those fields for at least 15 hours a week for at least 12 weeks may apply to the Department of Higher Education for up to \$5,000 of his or her state tax liability to be removed and placed in the Science, Technology, Engineering and Mathematics Fund. The department must establish a procedure for approving applications and the total amount of taxes transferred to the fund cannot exceed \$50,000 from all participating taxpayers. State tax liability means a person's income tax liability for individuals and a company's liability for income tax, corporate franchise tax, financial institution tax, and utility tax for businesses.

This bill establishes the Economic-Education Partnership Act. If an employer with facilities in Missouri provides educational benefits to a qualified employee for a position in health care, engineering, or information technology for no than one year, the employer may apply to have up to \$5,000 of his or her state tax liability removed from the general fund and placed in the science, technology, engineering, and mathematics fund in Section 173.670, RSMo. The Department of Higher Education must establish a procedure for approving the application. The total annual amount transferred to the fund may not exceed \$50,000. Donations made from a third party will not count towards the maximum annual limit. The Department of Economic Development may audit employers to ensure compliance with these provisions. An employer that provided for education benefits prior to the effective date of these provisions may apply to have up to \$5000 of his or her state taxpayer liability transfered to the fund.

PROPOSERS: Supporters say that this will provide a funding mechanism for the science, technology, engineering and mathematics fund which currently exists but does not have any funds. The bill still allows for separate charitable donations. Proponents say that only 12% of Missouri high school seniors are proficient in math and interested in pursuing a degree in science, technology, engineering or mathematics. Only 9.7% of Missouri college degrees are in these specific fields. Proponents say that lots of companies require a workforce in these fields and could potentially

leave Missouri or not come to Missouri due to the lack of the desired workforce.

Testifying for the bill were Representative Hicks; Representative Butler; and Alex Hanson.

OPPONENTS: There was no opposition voiced to the committee.